

Message Text

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PAGE 01 RIO DE 03701 012043Z

63

ACTION EB-12

INFO OCT-01 ARA-16 ISO-00 L-03 CIAE-00 COME-00 DODE-00

DOT-00 FMC-04 INR-11 NSAE-00 RSC-01 CG-00 DLOS-07

DRC-01 /056 W

----- 088746

R 012000Z OCT 74

FM AMCONUSUL RIO DE JANEIRO

TO SECSTATE WASHDC 1470

INFO AMEMBASSY BRASILIA

AMCONSUL SAO PAULO

UNCLAS RIO DE JANEIRO 3701

E.O. 11652: N/A

TAGS: EWWT, BR

SUBJECT: STORAGE CHARGES LEVIED ON PENGU DIVISION, GERHARD &
OWENS INDUSTRIES

REF: STATE 207898 NOTAL

1. CONSULATE GENERAL OFFICER MET WITH ROLAND GILLETTE AND
A.K. JORDAN OF PENGU AND WITH PANAMBRA, PENGU REPRESENTATIVES
IN BRAZIL, TO DISCUSS REF SUBJECT. IN ESSENCE, PROBLEM NOW
REVOLVES AROUND PENGU EFFORTS TO RECUPERATE ALL OR PART OF
STORAGE CHARGES LEVIED BY SANTOS PORT AUTHORITIES FOR PENGU
SHIPMENT TO FURNAS. AS DEPARTMENT AWARE, THIS SHIPMENT
REMAINED IN PORT STORAGE OVER THREE MONTHS OWING TO INABILITY
OF PENGU AND PANAMBRA OBTAIN RELEASE FROM SUNAMAM. RELEASE
REQUIRED BECAUSE SHIPMENT EFFECTED ON THIRD FLAG VESSEL
WITHOUT FIRST HAVING OBTAINED WAIVER FROM SUNAMAM AND FROM
U.S. FLAG LINES. CIA. DOCAS DE SANTOS, WHICH OPERATES
SANTOS PORT, IS A PRIVATE FIRM AND WILL NOT REFUND STORAGE
CHARGES SINCE THESE CHARGES ARE BASED ON LENGTH OF TIME
SHIPMENT ACTUALLY REMAINED IN PORT WAREHOUSE.

2. AS SHIPMENT ALREADY RELEASED FROM SANTOS, THERE WAS NO
NECESSITY TO SEE EITHER SUNAMAM OR CACEX. QUESTION BECAME
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PAGE 02 RIO DE 03701 012043Z

WHETHER FURNAS WOULD ACCEPT RESPONSIBILITY FOR STORAGE

CHARGES. THIS QUESTION AROSE BECAUSE FURNAS INITIALLY REFUSED TO ASSIST PENG0 AND PANAMBRA TO OBTAIN RELEASE FROM SUNAMAM, THEREBY ADDING TO LENGTH OF TIME GOODS REMAINED IN PORT. PANAMBRA HAS LETTER DATED JUNE 10, 1974, FROM FURNAS CHIEF OF PURCHASING DEPARTMENT REFUSING ASSISTANCE. ACCORDING TO PANAMBRA, SUNAMAM AUTHORITIES INSISTED FROM BEGINNING THAT REQUEST FOR WAIVER HAD TO COME FROM CONSIGNEE (FURNAS) AND NOT FROM IMPORTER (PANAMBRA). WAIVER WAS NOT GRANTED UNTIL FURNAS TOOK ACTION IN SEPTEMBER AND INTERVENED WITH SUANAMAM.

3. CONSULATE GENERAL OFFICER ACCOMPANIED GILLETTE, JORDAN AND PANAMBRA REPRESENTATIVE TO MEETING WITH FURNAS DIRECTOR, COL. G.B. FORTES EVANGELHO. COL. FORTES IS INDIVIDUAL WHO PERSONALLY TOOK PROBLEM IN HAND IN SEPTEMBER AND OBTAINED RELEASE FROM SUANAMAM. HE DENIED ANY FURNAS CULPABILITY IN MATTER, STATING FLATLY THAT ENTIRE RESPONSIBILITY FOR MIS-SHIPMENT OF GOODS LAY WITH PANAMBRA. DURING COURSE OF MEETING, HOWEVER, FORTES WAS MADE AWARE OF FURNAS PURCHASE CHIEF'S REFUSAL TO INTERVENE. HE SOMEWHAT GRUDGINGLY ADMITTED THAT THIS REFUSAL MAY HAVE ADDED TO PROBLEM. PENG0 REPRESENTATIVES POINTED OUT THAT THEIR FIRM HAS ALREADY SUFFERED ADDITIONAL EXPENSES OF US\$250,000 IN SUPPLEMENTAL REPAIR WORK OWING TO DEFECTIVE LINERS. PENG0 IS A SMALL FIRM AND PORT WAREHOUSE CHARGES OF US\$60,000 ON TOP OF THESE OTHER EXPENSES WOULD CREATE CRITICAL SITUATION FOR FIRM.

4. FORTES AGREED TO TAKE MATTER UP WITH FURNAS BOARD OF DIRECTORS, WHICH WOULD HAVE TO DECIDE ON PAYMENT OF PORT CHARGES. HE OFFERED NO PROMISES, BUT SAID HE WOULD MAKE SINCERE EFFORT OBTAIN APPROVAL. HE ASKED FOR LETTER FROM PENG0 FOR PRESENTATION TO BOARD.

5. COMMENT: CONSULATE GENERAL OFFICER ASSISTED PENG0 REPRESENTATIVES IN DRAFTING OF LETTER, WHICH WILL BE SENT TO FURNAS LATER THIS WEEK. WE HAVE NO WAY OF JUDGING REACTION OF FURNAS BOARD, BUT PENG0 REPRESENTATIVES RECOGNIZE THAT NO RELIEF MAY BE FORTHCOMING.

6. FOR BRASILIA AND SAO PAULO: REFTEL BEING REPEATED TO UNCLASSIFIED

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PAGE 03 RIO DE 03701 012043Z

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Message Attributes

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Draft Date: 01 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974RIODE03701
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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